



## Board Informational Report

**By: Harry Weis**  
CEO

**DATE: 7/17/17**

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We are happy to report that we have been in the new beautiful Joseph Family Center for Women and Newborn Care for a few weeks now. Our kitchen expansion has officially opened as well with the approval to use the new Joseph Family Center. We have some outside sidewalk and landscaping work to finish during August for completion of that area of the campus.

We had a Centers for Medicare and Medicaid Services (CMS) validation survey where they perform their own review of the accreditation work performed by the Healthcare Facilities Accreditation Program (HFAP) organization about two months ago regarding Incline Village Community Hospital and that validation survey went really well.

We recently completed the annual Gene Upshaw Memorial Golf event which was a great success.

Also it was great to attend the Incline Village Community Hospital Auxiliary Group Lobster feed. It was sold out and it was great to see many local friends come together to support Incline Village Community Hospital.

Our entire team is feeling the growing pressure with a very positive spirit to successfully complete the EPIC electronic health record conversion and related business software. This is a major challenge for our team in every way and I'm confident they will do well.

Our other five critical strategies continue to be a strong focus for the team as well. I congratulate our team for its spirit and commitment to make these critical, transformational changes; this allows us to be on point and focus on delivering a more sustainable healthcare system for the future.

As reported in earlier months, our journey to affiliate with our local OB/GYN group continues with a focus on completion this calendar year.

We are continuing to have discussions with our local primary care group as we look for win/win solutions to improve access to primary care in our region.

I believe we are making great progress in finding a new Urologist and a new GI specialist. Our CMO will have more to say on that in her report. We continue to recruit for Primary Care, finalize General Surgery, look for Neurology, and add an OB physician as well. We have several new physicians coming later this calendar year which we are excited about!

Our senior leadership team has a growing concern about the volume and quality of legislation that is being constructed in Sacramento and in Washington. We remain very vigilant and active at both the state and federal level as there is clearly unprecedented lack of knowledge with elected officials on the topics they are writing bills on and the harmful impacts of their proposed legislation. This comment is neither a Republican nor Democrat comment as it applies to both.

We are strong proponents of innovation in America and believe that small regional studies could be conducted on different models of care holding all providers harmless during the trial period so any positive or negative impacts are known before something goes national.

We do believe there are huge (intended or unintended) consequences to all of the healthcare reform legislation we have seen to date which will be exponentially expensive to correct the harm caused.

We believe strongly in individual and group education regarding all views on healthcare reform. We believe a thoroughly education population can see where the real true gold is relative to what is the correct or incorrect policy changes for the future and in that context I have shared comments as attachments here from:

Warrant Buffett's thoughts on healthcare for America.

The Congressional Budget Office evaluation of the Senate Healthcare bill of a few weeks ago.

A link to a video from a website: <http://fixithehealthcare.com>

A letter from Scripps Healthcare System in San Diego from Chris Van Gorder

A letter from Kaiser CEO Bernard Tyson

And a letter from Cleveland Clinic CEO Dr. Toby Cosgrove

## **Buffett: Single-Payer Healthcare 'Best System' for America**

Monday, June 26, 2017 09:41 PM

**By: Solange Reyner**

A single-payer healthcare program is "probably the best system" for America, investment tycoon Warren Buffett said Monday during an **interview with PBS NewsHour**.

The CEO of Berkshire Hathaway said the U.S. could afford to provide all Americans with government healthcare as its "gobbling up well over \$3 trillion a year."

A single-payer system, also known as "Medicare for all," is universal healthcare where all residents receive core coverage regardless of preexisting conditions, income, and occupation.

"It's just about the same as federal, the federal budget, I mean it's getting up there," Buffett told Judy Woodruff.

When Woodruff asked whether the country needed to "think about some sort of single-payer system," Buffett said it would be the more effective way to bring down costs.

"With my limited knowledge, I think that probably is the best system. Because it is a system, we are such a rich country, in a sense we can afford to do it. But in almost every field of American business, it pays to bring down costs," he said. "There's an awful lot of people involved in the medical – the whole just the way the ecosystem worked, there was no incentive to bring down costs."

### **Related Stories:**

- **Democrats: CBO Reveals 5 Bad Things in GOP Healthcare Plan**
- **White House Criticizes CBO for GOP Healthcare Score**

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# CBO scores Senate healthcare bill: 6 key takeaways

Written by Emily Rappleye (Twitter | Google+) | June 27, 2017 | Print | Email

The Congressional Budget Office scored the financial impact of the Senate's Better Care Reconciliation Act, finding minor improvements in health insurance coverage and significant improvements in federal savings compared to the House's ACA replacement, the American Health Care Act.

Here are six key takeaways from the CBO score of the BCRA.

**1. The CBO estimates 22 million more people would be uninsured by 2026 under the BCRA, compared to current law.** This means roughly 49 million Americans would be without insurance in 10 years under the BCRA, compared to 28 million if the ACA is not repealed. This is a small improvement over the House ACA repeal and replacement plan, which would have increased the number of uninsured by 23 million over the next decade.

**2. Average premiums on the individual market would initially increase and begin decreasing in 2020, the CBO projects.** The estimates suggest premiums will grow until 2020, so that the average premium for a benchmark plan — a plan where insurers cover 70 percent of total costs, also known as a silver plan on the ACA exchanges — would increase by 20 percent in 2018 and 10 percent in 2019 over current projections. By 2020, however, the average premium for a benchmark plan would be 30 percent lower than projections under current law. The CBO believes premiums will fall under the BCRA over time because the greater age rating ratio will allow young people to buy insurance with lower premiums; and because increased federal funding meant to reduce premiums will affect pricing.

**3. Despite declining premiums, out-of-pocket costs are expected to increase under the BCRA.** The legislation sets the actuarial value for benchmark plans at 58 percent rather than 70 percent — meaning payers must cover 58 percent of the total cost of benefits. This means benchmark plans will have higher deductibles, the CBO notes, and out-of-pocket costs will go up. "As a result, despite being eligible for premium tax credits, few low-income people would purchase any plan, CBO and JCT estimate," the report reads.

The bill also allows states to file for Section 1332 waivers and reduce the required essential health benefits every health plan must cover. Once services are no longer considered EHBs, they are also no longer protected by the ACA's ban on lifetime and annual coverage limits. The CBO estimates about half of Americans would be affected by Section 1332 waivers. This means about half of Americans are at risk for paying more out of pocket if they frequently use services no longer considered EHBs in their states. Depending on what states decide to cut, this could include emergency services, hospitalization, maternity care, prescription drugs, laboratory services and wellness services, among others.

**4. The BCRA would reduce the federal deficit by \$321 billion — a 170 percent improvement over the House's AHCA, according to the CBO.** If implemented, the bill would reduce federal direct spending by more than \$1 trillion, due largely to Medicaid cuts. The CBO estimates federal spending on Medicaid would be cut by more than a quarter by 2026 under the BCRA. These savings would be partially offset by a \$701 billion reduction in revenues, stemming from the repeal of ACA taxes and increased spending to offset growth in premium costs.

**5. The individual markets would be largely stable.** The CBO believes several aspects of the bill would ensure stability in the individual marketplaces: subsidies to buy insurance, cost-sharing reduction payments and additional federal funding to lower premiums for high-cost enrollees until 2021. The CBO expects premium tax credits will help insulate the market after 2021. However, some rural areas will likely have no insurance options on the exchanges or EHBs could be so narrow that services are unaffordable, the CBO notes.

**6. The CBO score includes the newly added continuous-coverage provision**, according to *Politico*. This provision, which would go into effect in 2019, requires people to maintain continuous coverage or be locked out of purchasing health insurance for six months. The addition is intended to stabilize markets by deterring people from waiting to buy coverage until they are sick, according to *Business Insider's* coverage of the last-minute addition. The CBO estimates this provision would only slightly increase the number of people with insurance.

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**Phil Boden** • 2 hours ago

If you check the record you will see the CBO has been wrong numerous times. For example thinking around 23000 would sign up for ACA when only 50% or less did.

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**truth** • 2 hours ago

Correct on the accuracy of the CBO. I'd also argue many of that 22M would be those fleeing OCare due to the current mandate on a product they do not need/want, can not afford to have, or afford to use.

^ ▾ • Reply • Share ▸



**Ann Farrell** • 2 hours ago

The CBO is not a fortune teller and was accurate on most estimates with ACA. Where they erred was where actions defied "reason", such as how many states failed to expand Medicaid in spite of harm and deaths to citizens.

I'm happy to defend CBO record but does it really matter if it's 22M vs 20M who lose coverage? This is another Republican talking point / smokescreen for horrific human impacts of stripping coverage from millions to provide tax breaks for rich via BCRA plan - B-CRAP indeed.

^ ▾ • Reply • Share ▸

For an additional point of view please visit the below website for a 3 minute trailer or the 58 minute full length video.

<http://fixithehealthcare.com>

Respectfully, Harry Weis

# Scripps CEO Chris Van Gorder: Senate healthcare bill would hurt hospitals, patients

Written by Chris Van Gorder, President and CEO, Scripps Health | June 23, 2017 | Print | Email

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Republican leaders in the U.S. Senate on June 22 unveiled their much anticipated bill to revamp the ACA, which included many of the elements contained in the health bill passed last month by the House of Representatives.

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The new legislation would eliminate many of the taxes enacted under the ACA to fund the expansion of health insurance coverage. Also, the bill would roll back current mandates on individuals to secure insurance coverage and on some businesses to provide insurance coverage for employees.

These moves clearly would increase the number of people without insurance and, in turn, raise the cost of insurance for everyone else.

The bill would remove government subsidies to help purchase insurance for some people by lowering the income threshold to qualify for that benefit from 400 percent of the federal poverty level to 350 percent. Subsidies to insurance companies that reduce out-of-pocket costs for low-income beneficiaries who purchase coverage on through the government-sponsored insurance exchanges would also be eliminated by 2020.

As a result, insurance deductibles for millions of Americans will rise. Experience has shown us that those added costs to patients frequently get passed on to hospitals as bad debt or charity care for unpaid hospital bills.

Under other provisions of the Senate bill, federal funding for the expansion of state Medicaid programs (called MediCal here in California) will drop from 90 percent to 57 percent over the next seven years, adding a huge financial burden on states that have expanded Medicaid coverage under the ACA. To make up the difference, states will be forced to either increase their own taxes to fill in the funding gap, reduce the number of people eligible for Medicaid coverage, reduce Medicaid reimbursements to hospitals and other healthcare providers, or adopt a combination of all of these options.

While the ACA certainly has its flaws and shortfalls, there is no question that this new proposal is a worse alternative.

If this bill is passed by Congress and signed into law by the president, we will see a rise in the number of uninsured Americans either by choice or due to the reductions of direct subsidies to individuals and reimbursements to states. Just here in California, millions of people could lose their coverage.

Federal taxes might be lowered for some, but we're likely to see taxes rise in states that choose to maintain insurance coverage at current levels.

Of course, the future remains uncertain. We don't yet know if Republican leaders in the Senate can muster enough votes from their members to overcome the solid voting opposition that is guaranteed to come from Senate Democrats. Pressure from all sides of the debate will enormous over the coming days if the Senate leaders stick to their schedule of holding a final vote on the measure next week.

Partisan attempts to pass national healthcare policy will always fail in the end because it will never be supported by the opposing party. American healthcare should not get caught up in a ping-pong match between political parties.

I once again ask that the leadership of Congress from both parties come together to forge true bipartisan supported healthcare legislation for the good of our entire country.

# 'Going backward is not an option' — Kaiser Permanente CEO Bernard Tyson responds to Senate healthcare bill

Written by Tamara Rosin (Twitter | Google+) | June 23, 2017 | Print | Email

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Bernard J. Tyson, chairman and CEO of Oakland, Calif.-based Kaiser Permanente, said that although the ACA is an imperfect legislation, future healthcare reform must build on its progress, not undo it.

Mr. Tyson's June 22 LinkedIn post was published the same day Senate Republicans unveiled their long-awaited healthcare reform bill. Though more moderate than the House-approved American Health Care Act, the Senate's Better Care for Reconciliation Act of 2017 would repeal Medicaid expansion, rescind the individual mandate, invoke tax cuts and enable states to opt out of coverage for essential health benefits, among other measures.

"We need to pause and ask policymakers to answer the most fundamental question: What does progress on healthcare look like for the people in America?" Mr. Tyson wrote. "Three simple, yet important, measures exist — and any change will be judged by history by its impact on access, affordability and outcomes."

Here are three key thoughts from Mr. Tyson on future healthcare policy, according to his LinkedIn post.

**1. "We need to cover more people, not fewer people."** The ACA enabled 20 million previously uninsured people to gain healthcare coverage, largely through the expansion of Medicaid and the provision of subsidies for those with low incomes. "Reasonable people can debate how we progress to a zero number of uninsured people, how generous the most basic coverage needs to be, and how we pay for it," Mr. Tyson wrote. "Let's be clear: This isn't a partisan goal." Any bill that increases the number of Americans without insurance is unacceptable, he added.

**2. "Without question, we must make health care more affordable."** This means the government, businesses and families alike will have to "foot the bill," he wrote. Mr. Tyson also pointed out "rising deductibles and premiums reflect the increasing costs of care delivery — not just adjusting rules around health coverage."

**3. "We must do everything in our power to make sure a country as great as ours boasts the best health outcomes — the quality of care — in the world."** The U.S. has among the poorest health outcomes compared to the other developed nations. The healthcare industry can improve quality if "we commit to moving from a predominantly 'sick care,' episodic, fee-for-service model to a predominantly preventive model with incentives for value, integrated care and, most important, keeping people healthy," Mr. Tyson wrote. Early detection and preventative services must be affordable to all, especially the most vulnerable to illness, to achieve this, he added.

"We can achieve better health for all if we deliver on the three-part test for access, affordability and outcomes. It will take time, and our country must reflect that we, as individuals and communities, must do better," he concluded.

[Click here to read the article in full.](#)

## More articles on leadership:

Obama: Senate BCRA bill 'is not a healthcare bill'

Scripps CEO Chris Van Gorder: Senate healthcare bill would hurt hospitals, patients

10 organizations react to Senate GOP healthcare bill



# Cleveland Clinic CEO Dr. Toby Cosgrove: BCRA will put hospitals in 'very deep financial trouble'

Written by Tamara Rosin ([Twitter](#) | [Google+](#)) | June 28, 2017 | [Print](#) | [Email](#)

Senate Republicans' proposal to repeal and replace the ACA with the Better Care Reconciliation Act is expected to cause millions of Americans to lose healthcare coverage. Hospitals that already operate on tight margins will find themselves picking up the "burden" of providing more uncompensated care to patients who lack insurance, Cleveland Clinic CEO Toby Cosgrove, MD, said on [CNBC's "Squawk Box."](#)

According to [estimates](#) from the Congressional Budget Office, the BCRA is expected to increase the number of uninsured Americans by 15 million next year and 22 million by 2026.

"If you have more patients coming in that are not [covered], you're going to have hospitals that are in very deep financial trouble," Dr. Cosgrove said. "And this is particularly true of rural hospitals and safety net hospitals, which are very dependent on Medicare and Medicaid for their returns."

Dr. Cosgrove said congressional Republicans' focus on payment reform instead of healthcare reform is misguided. Instead, they should be trying to identify the "root cause" of the rising costs of healthcare, he told CNBC.

"I think if we came together and deal with the root cause there'd be plenty of money to go around to look after people," Dr. Cosgrove said. "But if we don't deal with it now, we're going to have the same problem going 10 years from now."

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[Johnson & Johnson CEO says healthcare policy redesign should take decades, not days](#)

[Mount Sinai Health System CEO: Senate bill doesn't address systemic flaws in US healthcare system](#)

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